Issue		Petitioners' Proposed Contract	· · · · · · · · · · · · · · · · · · ·	Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
				Process as established in Case No.	
				000026, Case No. 000035, or another	
				proceeding before the Commission.	
1				Any such actions, disputes,	
j				controversies or claims may be	
				pursued by either Party before any	
				court, commission or agency of	
1				competent jurisdiction. Additionally,	
1				AT&T hereby waives its rights to	
1				submit disputes in accordance with	
ĺ	,			the alternative dispute resolution	
	·			mediation process implemented by	
				Verizon pursuant to paragraph 40 and	
				Attachment F of the Merger Order.	
				28.11.2 Negotiations	
				At the written request of a Party, each	
				Party will appoint a knowledgeable,	
l				responsible representative to meet and	
i				negotiate in good faith to resolve any	
				dispute arising out of or relating to	
ı				this Agreement. The Parties intend	
				that these negotiations be conducted	
				by non-lawyer, business	
				representatives. The location, format,	
				frequency, duration, and conclusion	
1				of these discussions shall be left to	
i				the discretion of the representatives.	
Į.				Upon agreement, the representatives	
1				may utilize other alternative dispute	
l				resolution procedures such as	
İ				mediation to assist in the negotiations.	
				Discussions and correspondence	
				among the representatives for	
				purposes of these negotiations shall	
				be treated as Confidential Information	
İ				developed for purposes of settlement,	
				exempt from discovery, and shall not	
i				be admissible in the arbitration	
KEN WHE				described below or in any lawsuit	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
1				without the concurrence of all Parties.	
1 1		i		Documents identified in or provided	
				with such communications, which are	
				not prepared for purposes of the	
				negotiations, are not so exempted and	
				may, if otherwise discoverable or	
				admissible, be discovered, or be	
		1		admitted in evidence, in the	
Ì				arbitration or lawsuit.	
				28.11.3 Arbitration	
				Except for those disputes identified in	
1				section 28.11.1(1) through 28.11.1(9),	
				if the negotiations do not resolve the	
				dispute within sixty (60) days of the	
		1		initial written request, the dispute	
ĺ				may be submitted by either Party or	
				both Parties (with a copy provided to	
į.				the other Party) to the Commission	
ł				for arbitration pursuant to section 252	
				of the Act. The Commission shall	
				assign the dispute to a single	
ľ		1		arbitrator selected by the Parties	
				pursuant to the Commercial	
i				Arbitration Rules of the American	
		1		Arbitration Association ("AAA"),	
				hereinafter referred to as the AAA	
				Rules, to which body the Parties	
1				hereby agree to submit the dispute	
				pursuant to the AAA Rules, except	
		1		that the Parties may select an	
				arbitrator outside AAA Rules upon	
į				mutual agreement. Neither Party	
				waives any rights it may otherwise	
1				have under Section 252 of the Act by	
l		1		agreeing to allow the Commission to	
}				assign the dispute to an arbitrator	
				selected by the Parties. Discovery	
				shall be controlled by the arbitrator	
		1		and shall be permitted to the extent	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
1				set out in this section, unless	
				otherwise prohibited by the AAA	
				Rules. Each Party may submit in	
				writing to a Party, and that Party shall	
				so respond to, a maximum of any	
				combination of twenty-five (25)	
				(none of which may have subparts) of	
				the following: interrogatories,	
Ī				demands to produce documents, or	
1				requests for admission. Each Party is	
1				also entitled to take the oral	
I				deposition of one individual of the	
ļ				other Party. Additional discovery	
				may be permitted upon mutual	
				agreement of the Parties. The	
				arbitration hearing shall be	
				commenced within sixty (60) days of	
- 1				the demand for arbitration. The	
				arbitration shall be held in a mutually	
ſ				agreeable city. The arbitrator shall	
				control the scheduling so as to	
1				process the matter expeditiously. The	
				Parties may submit written briefs.	
				The arbitrator shall rule on the dispute	
				by issuing a written opinion within	
j		1		thirty (30) days after the close of	
				hearings. The times specified in this	
1				section may be extended upon mutual	
į				agreement of the Parties or by the	
				arbitrator upon a showing of good	
				cause. The written opinion of the	
1				arbitrator shall not be enforceable in	
i				any court having jurisdiction over the	
				subject matter until the Commission,	
				pursuant to section 28.11.7 below, has	
1				issued an Order adopting or	
1				modifying the arbitrator's written	
1				opinion.	
				28.11.4 Expedited Arbitration	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
				Procedures	
				If the issue to be resolved through the	
				negotiations referenced in Section	
				28.11.2 directly and materially affects	
				service to either Party's end-user	
				Customers or the amount subject to a	
				billing dispute is \$2,000,000 or less,	
]				then the period of resolution of the	
				dispute through negotiations before	
				the dispute is to be submitted to	
!				arbitration shall be five (5) Business	
				Days. Once such a service affecting	
1				dispute is submitted to arbitration	
				pursuant to the process outlined in	
				Section 28.11.3 above, the arbitration	
				shall be conducted pursuant to the	
				expedited procedures rules of the	
		ļ ļ		AAA Rules (i.e., rules 53 through	
				57).	
1				28.11.5 Costs	
		į		Each Party shall bear its own costs of	
1 1				these procedures. The Parties shall	
1				equally split the fees of the arbitrator.	
		i i		28.11.6 Continuous Service	
		1		The Parties shall continue providing	
				services to each other during the	
}				pendency of any dispute resolution	
				procedure, and the Parties shall	
1				continue to perform their obligations,	
				including making payments in	
1 1		ì		accordance with and as required by	
		Į l		this Agreement.	
				28.11.7 Commission Order	
		\		28.11.7.1 Within	
		1		thirty (30) days of the arbitrator's	
				decision, the Parties shall submit that	
				decision to the Commission for	
		1		review. Each Party shall also submit	
				its position on the arbitrator's	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	1
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
				decision in a statement not to exceed	
				ten (10) pages as to whether the Party	1
				agrees to be bound by it or seeks to	
1	ĺ			challenge it. The Commission shall	
				accept or modify the arbitrator's	
	ì			decision within thirty (30) days of its	1
				receipt and issue an Order	
ì				accordingly pursuant to Section 252	
				of the Act; provided, however, if the	
				Commission does not issue an Order	
				accepting or modifying the	
}				arbitrator's decision within thirty (30)	
				days of its receipt, the arbitrator's	
				decision shall be deemed an Order of	
				the Commission pursuant to Section	•
		Į.		252 of the Act. The Order of the	
				Commission shall become final and	
		Į.		binding on the Parties, except as	Į
				provided in Section 28.11.7.2 below.	
				28.11.7.2 Either	
				Party may seek timely review of the	
				Commission Order rendered above	
				pursuant to Section 252(e)(6) of the	
				Act. The Parties agree to waive any	
				objection to the federal court's	
TV 101				jurisdiction over the subject matter.	
IV-101	Should the parties be allowed to	Part A, Section 13.2.	Arbitration provides a private, speedy	See IV-100	Arbitration of disputes under the
	submit disputes under the agreement	100 50 50	and cost-effective process for		interconnection agreement is a matter
	to binding arbitration under the	13.2 The Parties agree that any and	resolution of the typical disputes that		of contract and no party can be
ĺ	United States Arbitration Act?	all disputes, claims or controversies	arise under an interconnection		required to submit to arbitration any
		arising out of or relating to this	agreement. When a dispute arises		dispute that it has not agreed to submit.
İ		Agreement may be submitted to	under the interconnection agreement,		To the extent that WorldCom has
ĺ		binding and final arbitration before	the companies should be able to get		proposed ADR provisions to which
		J.A.M.S./Endispute pursuant to the	expedited relief to enforce the		Verizon has not agreed, the
		United States Arbitration Act, 9 USC	agreement pursuant to federal law,		Commission cannot require inclusion
		Sec. 1 et seq. Either Party may	especially in light of the Virginia		of such provisions in the Parties'
1		commence the arbitration process	Commission's unwillingness to		interconnection agreement. Verizon
		called for in this Section by filing a	interpret and enforce interconnection		will, however, agree to adopt the ADR
IZENZ VIII		written demand for arbitration with	agreements pursuant to the Act.		procedures agreed to by it and AT&T.

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
		J.A.M.S./Endispute, with a copy to			
		the other Party. The arbitration will			
		be conducted in accordance with the			
		provisions of J.A.M.S./Endispute's			
		Comprehensive Arbitration Rules and			
}		Procedures in effect at the time of the			
		filing of the demand for arbitration.			
		The Parties shall file the arbitrator's			
		decision with the Commission. The			
1		Parties will share the costs of the			
1 i		arbitration equally. The provisions of			
1		this Section [13.2] may be enforced			
		by any Court of competent			
1 1		jurisdiction, and the Party seeking			
1 1		enforcement will be entitled to an			
		award of all costs, fees, and expenses,			
		including attorneys' fees, to be paid			
1 1		by the Party against whom			
		enforcement is ordered. During the			
]		arbitration process, each Party shall			
)		continue to perform its obligations			
]		under this Agreement; provided,			
1		however, that neither Party shall be			
		required to act in an unlawful fashion.			
IV-102	Should the Interconnection	Part A, Section 14	Resolved by including in the		Resolved
) i	Agreement contain a provision stating		agreement WCOM's Part A, Section		
	that the Interconnection Agreement	Section 14. Entire Agreement	14.1		
} \	constitutes the entire agreement				
	between the Parties on the subject	14.1 This Agreement constitutes the			
[[matter of the Interconnection	entire agreement between the Parties			
	Agreement, and that it supersedes any	on the subject matter hereof, and			
] [prior or contemporaneous agreement,	supersedes any prior or			
	understanding, or representation on	contemporaneous agreement,			
Į [that subject matter?	understanding, or representation on	,		
		the subject matter hereof. Except as			
į l		otherwise provided in this			
		Agreement, the terms in this			
	TENER DAGGER	Agreement may not be waived or	In Contract to the contract to		

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
		modified except by a written			
		document which is signed by the			
		Parties.			
IV-103	Should the Interconnection	Part A, Section 15 et seq.	Resolved by including in the		Resolved
	Agreement contain a provision		agreement WCOM's Part A, Sections		
	governing liability for environmental	Section 15. Environmental	15.1, 15.2 and 15.3		
	contamination that: (1) states that	Contamination			
ĺ	neither Party shall be liable to the				
	other for any costs whatsoever	15.1 MCIm shall in no event be			
	resulting from the other Party's	liable to Verizon for any costs			
1	violation of federal, state, or local	whatsoever resulting from a violation			
1	environmental law; (2) requires each	of a federal, state or local		li de la companya de la companya de la companya de la companya de la companya de la companya de la companya de	
	Party, upon request, to indemnify,	environmental law by Verizon, its			
	defend, and hold harmless the other	contractors or agents arising out of			
	Party against all losses caused by the	this Agreement (a "Verizon			
	indemnifying Party's violation of	Environmental Violation"). Verizon			
	environmental laws; (3) places	shall, at MCIm's request, indemnify,			
	limited obligations on WorldCom	defend, and hold harmless MCIm,			
	regarding compliance with asbestos-	each of its officers, directors and			
	regulating laws when WorldCom	employees from and against any			
	engages in abatement activities or	losses, damages, claims, demands,			
	equipment placement activities	suits, liabilities, fines, penalties and			
	resulting in the generation or	expenses (including reasonable			
	placement of asbestos containing	attorneys fees) that are caused by a			
	material; (4) makes clear that	Verizon Environmental Violation.			
	WorldCom has no additional legal				
	responsibilities regarding asbestos	15.2 Verizon shall in no event be			
	containing material on Verizon	liable to MCIm for any costs			
	property; and (5) obligates Verizon to	whatsoever resulting from a violation			
	notify WorldCom if Verizon	of a federal, state or local			
	undertakes any asbestos control or	environmental law by MCIm, its			'
	asbestos abatement activities that	contractors or agents arising out of			
	could affect WorldCom's equipment	this Agreement (an "MCIm			
	or operations?	Environmental Violation"). MCIm			
{		shall, at Verizon's request, indemnify,			
İ		defend, and hold harmless Verizon,			
-		each of its officers, directors and			!
J		employees from and against any			
		losses, damages, claims, demands,	L		

Issue		Petitioners' Proposed Contract	T T	Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
		suits, liabilities, fines, penalties and			
		expenses (including reasonable			
		attorneys fees) that are caused by an	i		
)		MCIm Environmental Violation.]	1	
ĺ		•	ĺ		
Ì		15.3 In the event any suspect)	
ĺ		materials within Verizon-owned,			
		operated or leased facilities are		Ì	
		identified to be asbestos-containing,	İ		
		MCIm will ensure that to the extent			1
		any activities which it undertakes in			
		the facility disturb such suspect			
		materials, such MCIm activities will			
		be in accordance with applicable			
		local, state and federal environmental			
		and health and safety statutes and			Í
		regulations. Except for abatement			
		activities undertaken by MCIm or			}
		equipment placement activities that			
		result in the generation or placement			
		of asbestos containing material,			
		MCIm shall not have any			
		responsibility for managing, nor be			
	·	the owner of, not have any liability for, or in connection with, any			
		asbestos containing material at	ĺ		
		Verizon-owned, operated or leased			
		facilities. Verizon agrees to	i		
		immediately notify MCIm if Verizon			
		undertakes any asbestos control or			
		asbestos abatement activities that			
		potentially could affect MCIm			
		equipment or operations, including,			
		but not limited to, contamination of			
		equipment.			
IV-104	Should the Interconnection	Part A, Section 16	Resolved by including in the		Resolved
	Agreement contain a provision	1	agreement WCOM's Part A, Section		accounted .
	obligating both parties in their		16.1		
	performance of their obligations				
		_ 	hald). Con (and deline tout). ATRT (italia)	<u> </u>	<u> </u>

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	I
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
	under the Interconnection Agreement to cooperate fully and act in good faith and consistently with the intent of the Act, and prohibiting either Party from unreasonably delaying, withholding, or conditioning any action it is required or permitted to take pursuant to the Interconnection Agreement?	Section 16. Good Faith Performance 16.1 In the performance of their obligations under this Agreement, the Parties shall cooperate fully and act in good faith and consistently with the intent of the Act. Where notice, approval or similar action by a Party is permitted or required by any provision of this Agreement (including, without limitation, the obligation of the Parties to further negotiate the resolution of new or open issues under this Agreement), such action shall not be unreasonably delayed, withheld or conditioned.			
IV-105	Should the Interconnection Agreement contain a provision stating that the Act and Virginia law govern the validity, construction, enforcement, and interpretation of the Interconnection Agreement, without regard to Virginia's conflict of laws rules?	Part A, Section 17 Section 17. Governing Law 17.1 The validity of this Agreement, the construction and enforcement of its terms, and the interpretation of the rights and duties of the Parties, shall be governed by the Act and the laws of the Commonwealth of Virginia, without regard to its conflicts of laws rules.	Resolved by including in the agreement WCOM's Part A, Section 17.1		Resolved
IV-106	Should the Interconnection Agreement contain a provision under which each Party agrees to indemnify the other Party for certain specified liability arising from the Interconnection Agreement that is legally caused by the indemnifying Party? Should the provision also contain various procedures, including limiting conditions, regarding how	Part A, Sections 19.1, 19.2, 19.3, 19.3.1-19.3.5: Section 19. Indemnification 19.1 Each Party agrees to release, indemnify, defend and hold harmless the other Party from and against all losses, claims, demands, damages, expenses, suits or other	These provisions are necessary because they provide a clear legal framework for resolving liability between the parties arising from third party claims. As a general principle, it is both equitable and efficient that each party should be responsible for the damages that party causes.	WorldCom § 24 of Agreement proposed to AT&T 24.0 INDEMNIFICATION 24.1 Each Party ("Indemnifying Party") shall indemnify, defend and hold harmless the other Party ("Indemnified Party") from and against any and all Losses that arise out of bodily injury to or death of any	If WorldCom's proposed language for § 19 were to be used, subsection 19.1(b) must be reinstated and § 19.2 must be deleted. As an alternative, Verizon is willing to adopt, in its interconnection agreement with WorldCom, the indemnification provisions agreed to by Verizon and AT&T.

Issue		Petitioners' Proposed Contract	:	Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
	indemnification is obtained, including	actions, or any liability whatsoever,		person, or damage to, or destruction	
	notice, authority to defend, authority	including, but not limited to, costs,		or loss of, tangible real and/or	
	to settle, obligation to assert defenses	and reasonable attorneys' fees and		personal property of any person, to	
i	in applicable Tariffs, and an	allocated in-house legal expenses		the extent such injury, death, damage,	
	obligation on the indemnified Party to	(collectively, a "Loss") incurred by		destruction or loss, was proximately	
	offer reasonable cooperation and	the indemnified Party to the extent	!	caused by the negligent or otherwise	
	assistance?	that such Loss is: suffered, made,		tortious acts or omissions in	
		instituted, or asserted by any other		connection with this Agreement of	
		person, relating to personal injury to		the Indemnifying Party, or the	
		or death of any person, or for loss,		directors, officers, employees, agents,	
		damage to, or destruction of real		or contractors (excluding the	
		and/or personal property, whether or		Indemnified Party), of the	
		not owned by others, incurred during		Indemnifying Party.	
		the term of this Agreement and to the		24.2 Nothing in Section 24.0 shall	
		extent legally caused by the acts or		affect or limit any claims, remedies,	
		omissions of the indemnifying Party,		or other actions the Indemnifying	
		regardless of the form of action.		Party may have against the	
		Notwithstanding the foregoing		Indemnified Party under this	
		indemnification, nothing in this		Agreement, any other contract, any	
1		Section [19] shall affect or limit any	i	applicable Tariff(s), or Applicable	
		claims, remedies, or other actions the		Law, relating to the Indemnified	
		indemnifying Party may have against		Party's provision of services,	
		the indemnified Party under this		facilities or arrangements to the	
		Agreement, any other contract, or any		Indemnifying Party under this	
ļ		applicable Tariff(s), regulations or		Agreement.	
		laws.		24.3 An Indemnifying Party's	
1				obligation to indemnify, defend and	
		19.2 Each Party agrees to		hold harmless the Indemnified Party	
}		release, indemnify, defend and hold		as provided in this Section 24.0 shall	
j		harmless the other Party from and		be conditioned upon the following:	
1		against all Loss incurred by the		a) The Indemnified Party shall	
		indemnified Party suffered, made,		promptly notify the Indemnifying	
ł		instituted, or asserted by any other		Party of any action taken against the	
		person (regardless of the form of		Indemnified Party relating to the	
ĺ		action) and to the extent such Loss is		Indemnifying Party's obligations	
1		legally caused by the indemnifying		under this Section 24.0. However,	
		Party through acts or omissions in		the failure to give such notice shall	
1		breach of this Agreement.		release the Indemnifying Party from	
		Notwithstanding the foregoing		its obligations under this Section 24.0	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	I -
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
		indemnification, nothing in this		only to the extent the failure to give	
l i		Section [19] shall affect or limit any		such notice has prejudiced the	
		claims, remedies, or other actions the		Indemnifying Party.	
)		indemnifying Party may have against		b) The Indemnifying Party	
		the indemnified Party under this		shall have sole authority to defend	
1 1		Agreement, any other contract, or any		any such action, including the	
1		applicable Tariff(s), regulations or		selection of legal counsel, and the	
1		laws.		Indemnified Party may engage	1
				separate legal counsel only at the	
 		19.3 The indemnification		Indemnified Party's sole cost and	
		provided herein shall be conditioned		expense.	
		upon:		c) In no event shall the	
				Indemnifying Party settle or consent	
		19.3.1 The indemnified Party shall		to any judgment in an action without	
		promptly notify the indemnifying		the prior written consent of the	
		Party of any action taken against the		Indemnified Party, which consent	
		indemnified Party relating to the		shall not be unreasonably withheld.	
l l		indemnification, provided that failure		However, in the event the settlement	
		to notify the indemnifying Party shall		or judgment requires a contribution	
		not relieve it of any liability it might		from or affects the rights of the	
		otherwise have under this		Indemnified Party, the Indemnified	
		Section [19] to the extent it was not		Party shall have the right to refuse	
		materially prejudiced by such failure		such settlement or judgment and, at	
		of notification.		its own cost and expense, take over	
1		1		the defense against such Loss,	
				provided that in such event the	
		19.3.2 The indemnifying Party shall		Indemnifying Party shall not be	
		have sole authority to defend any		responsible for, nor shall it be	
\		such action, including the selection of		obligated to indemnify the	
		legal counsel, and the indemnified		Indemnified Party against, the Loss	
}		Party may engage separate legal		for any amount in excess of such	
		counsel only at its sole cost and		refused settlement or judgment.	
		expense. In the event the		d) The Indemnified Party shall,	
		indemnifying Party does not accept		in all cases, assert any and all	
į		the defense of any such action, the		provisions in its Tariffs that limit	
		indemnified Party shall have the right		liability to third parties as a bar to any	
!		to employ counsel for its own defense		recovery by the third party claimant	
1		at the expense of the indemnifying		in excess of such limitation of	
		Party.		liability.	

Issue	Petitioners' Proposed Contract		Verizon's Proposed Contract	
No. Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
		Petitioners' Rationale	e) The Indemnified Party shall offer the Indemnifying Party all reasonable cooperation and assistance in the defense of any such action. 24.4 Each Party agrees that it will not implead or bring any action against the other Party or its affiliates, or any of their respective directors, officers, agents or employees, based on any claim by any person for personal injury or death that occurs in the course or scope of employment of such person by the other Party and that arises out of performance of this Agreement. 24.5 In addition to its other obligations under this Section 24.0, each Party shall, to the extent allowed by Applicable Law, provide in its Tariffs and contracts with its Customers, that, except for gross negligence or willful misconduct, in no case shall such Party or any of its agents, contractors or others retained by such Party be liable to any Customer or third party for (i) any loss relating to or arising out of the services, facilities or arrangements obtained or provided under this Agreement, whether in contract or tort, that exceeds the amount such Party would have charged the applicable Customer for the service(s) or function(s) that gave rise to such	Verizon Rationale
			agents, contractors or others retained by such Party be liable to any Customer or third party for (i) any loss relating to or arising out of the services, facilities or arrangements obtained or provided under this Agreement, whether in contract or tort, that exceeds the amount such Party would have charged the applicable Customer for the service(s)	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
				Party shall release, indemnify, defend and hold harmless the other Party for any Loss suffered, made, instituted, or asserted by the other Party's Customer(s) that arise from disruptions to that Customer's service or from any violation of Applicable Law governing the privacy of the Customer's communications, and that are proximately caused by the grossly negligent or willful acts or omissions of the Indemnifying Party in connection with a Line Sharing arrangement.	
IV-107	Should the Interconnection Agreement contain a provision regarding intellectual property rights stating that (1) any intellectual property originating from or developed by a Party remains in the exclusive ownership of that Party; and (2) the Interconnection Agreement does not grant either Party any form of license in the other Party's intellectual property (with the exception of certain limited use licenses)?	Part A, Section 20.1 Section 20. Intellectual Property Rights 20.1 Any intellectual property which originates from or is developed by a Party shall remain in the exclusive ownership of that Party. Except for a limited license to use a Party's patents or copyrights to the extent necessary for the Parties to use any facilities or equipment (including software) or to receive any service solely as provided under this Agreement, no license in patent, copyright, trademark or trade secret, or other proprietary or intellectual property right now or hereafter owned, controlled or licensable by a Party, is granted to the other Party or shall be implied or arise by estoppel.	This provision is necessary because it makes clear that the Interconnection Agreement does not itself create or modify the Parties' intellectual property rights, and obligates each Party to take steps with respect to the intellectual property rights of third parties that are necessary to give full effect to its obligations under the Interconnection Agreement.	worldCom § 28.16 of Agreement proposed to AT&T 28.16 No Licenses 28.16.1 Nothing in this Agreement shall be construed as the grant of a license, either express or implied, with respect to any patent, copyright, trade name, trade mark, service mark, trade secret, or any other proprietary interest or intellectual property, now or hereafter owned, controlled or licensable by either Party. Neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right of the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights. 28.16.2 Neither Party shall have any	Except to the extent that Verizon may be required to use best efforts to negotiate or renegotiate licenses to procure relevant rights and licenses for CLECs to use the intellectual property of third-party vendors embedded in Verizon's network in order to use Verizon's UNEs (which Verizon has addressed in connection with Issue III-15), applicable law does not generally require Verizon to attempt to negotiate to acquire intellectual property rights for the benefit of a CLEC, and then indemnify that CLEC if it fails to acquire such rights.

No.	Statement of Issue	Language			
		Language	Petitioners' Rationale	Language	Verizon Rationale
				obligation to defend, indemnify or	
1		1		hold harmless, or acquire any license	
1				or right for the benefit of, or owe any	
				other obligation or have any liability	
				to, the other Party or its Customers	
ŀ				based on or arising from any claim,	
				demand, or proceeding by any third	
ĺ		i		party alleging or asserting that the use	
İ		1		of any circuit, apparatus, or system,	
				or the use of any software, or the	
				performance of any service or	
		1		method, or the provision of any	
				facilities by either Party under this	
1		1		Agreement, alone or in combination	
				with that of the other Party,	
)				constitutes direct, vicarious or	
				contributory infringement or	
į				inducement to infringe, misuse or	
				misappropriation of any patent,	
				copyright, trademark, trade secret, or	
1		1		any other proprietary or intellectual	
}				property right of any Party or third	
Į.				party. Each Party, however, shall	
i				offer to the other reasonable	
1				cooperation and assistance in the	
}		1		defense of any such claim.	
Ì		1		20 17 2 NOTWITHETANDING 1	
1		i i		28.16.3 NOTWITHSTANDING ' ANY OTHER PROVISION OF THIS	
1				AGREEMENT, THE PARTIES	
				AGREEMENT, THE PARTIES AGREE THAT NEITHER PARTY	
- 1				HAS MADE, AND THAT THERE DOES NOT EXIST, ANY	
				WARRANTY, EXPRESS OR	
				IMPLIED, THAT THE USE BY	
		1		EACH PARTY OF THE OTHER'S	
		1		FACILITIES, ARRANGEMENTS,	
		1		OR SERVICES PROVIDED	
				UNDER THIS AGREEMENT	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
No.	Statement of Issue	Language	Petitioners' Rationale	SHALL NOT GIVE RISE TO A CLAIM OF INFRINGEMENT, MISUSE, OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT, INCLUDING ANY RIGHT OF THE PARTIES TO THIS AGREEMENT. 28.16.4 AT&T acknowledges that services and facilities to be provided by Verizon hereunder may use or incorporate products, services or information proprietary to third party vendors and may be subject to third party intellectual property rights. In the event that proprietary rights restrictions in agreements with such third party vendors do not permit Verizon to provide to AT&T, without additional actions or costs, particular unbundled Network Element(s) otherwise required to be made available to AT&T under this	Verizon Kationale
				Agreement, then, as may be required by Applicable Law:	
				a) Verizon agrees to notify AT&T, directly or through a third party, of such restrictions that extend beyond restrictions otherwise imposed under this Agreement or applicable Tariff restrictions ("Ancillary Restrictions"); and	
				b) Verizon shall use its best efforts, as commercially practical, to	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
		·		procure rights or licenses to allow Verizon to provide to AT&T the particular unbundled Network Element(s), on terms comparable to terms provided to Verizon, directly or on behalf of AT&T ("Additional Rights/Licenses"). Costs associated with the procurement of Additional Rights/Licenses shall be recovered as agreed by the Parties and, absent such agreement, pursuant to the dispute resolution procedures set forth in this Agreement.	
IV-108	Should the Interconnection Agreement contain a provision that prohibits either Party from publishing or using, absent agreement, the other Party's logo, trademark, or service mark in any product, service, advertisement, promotion, or any other publicity matter?	Part A, Section 20.3 20.3 Unless otherwise mutually agreed upon, neither Party shall publish or use the other Party's logo, trademark, or service mark in any product, service, advertisement, promotion, or any other publicity matter, except that nothing herein shall prohibit lawful comparative advertising or comparative marketing.	Resolved by including in the agreement WCOM's Part A, Section 20.3		Resolved
IV-109	Should the Interconnection Agreement contain a provision stating that the Interconnection Agreement is the joint work product of the representatives of the Parties, that it has been drafted in final form by one of them for convenience, and that no inferences designed to resolve ambiguity shall be drawn against either Party solely on the basis of authorship?	Part A, Section 21 Section 21. Joint Work Product 21.1 This Agreement is the joint work product of the representatives of the Parties. For convenience, this Agreement has been drafted in final form by one of the Parties. Accordingly, in the event of ambiguities, no inferences shall be drawn against either Party solely on the basis of authorship of this Agreement.	Resolved by including in the agreement WCOM's Part A, Section 21.1		Resolved

Issue		Petitioners' Proposed Contract	<u>r </u>	Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
IV-110	Should the Interconnection Agreement contain a provision that prohibits a providing Party from requiring the purchasing Party to produce a letter of authorization, disconnect order, or other writing, from the purchasing Party's subscriber as a pre-condition to processing an Order from the purchasing Party?	Part A, Section 22.1: Section 22. Migration of Service 22.1 A Providing Party shall not require the Purchasing Party to produce a letter of authorization, disconnect order, or other writing, from the Purchasing Party's subscriber as a pre-condition to processing an Order from the Purchasing Party.	This provision is necessary because it prevents Verizon from imposing burdensome and unnecessary requirements as a precondition to its fulfillment of its obligations under the agreement. WorldCom is the authorized agent and contact for its local service customers, and requiring written proof of this is unnecessary and serves only to delay the provision of services to WorldCom's customers. This provision is important because it prevents Verizon from imposing conditions which make it difficult for customers to change providers from Verizon.	WorldCom § 18.1 - 18.3 of Agreement proposed to AT&T 18.1 Intercept and Referral Announcements When a Customer changes its service provider from Verizon to AT&T, or from AT&T to Verizon, and does not retain its original telephone number, the Party formerly providing service to such Customer shall provide a referral announcement ("Referral Announcement") on the abandoned telephone number which provides details on the Customer's new number or provide other appropriate information to the extent known. When a Customer changes its local service provider from AT&T to Verizon or from AT&T to a CLEC, where AT&T was providing service to the Customer through unbundled Local Switching, and the Customer does not retain its original telephone number, AT&T shall order the Referral Announcement from Verizon on behalf of the Customer. Referral Announcements shall be provided reciprocally, free of charge to either the other Party or the Customer to the extent the providing Party does not charge its own Customers for such service, for the time period required under Applicable Law, but in no event less than six (6) months after the date the Customer changes its telephone number in the case of business Customers and not less than thirty (30) days after the date the	Verizon cannot agree to inclusion of WorldCom's proposed Part A, § 22.1. Although Verizon will comply with applicable law, it cannot be forced to obligate itself through the interconnection agreement beyond the requirements of applicable law. Verizon proposes for inclusion in the Verizon-WorldCom interconnection agreement the Coordinated Service Arrangements language agreed to by Verizon and AT&T.

Issue		Petitioners' Proposed Contract	17.17.17.17.17.17.17.17.17.17.17.17.17.1	Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
				Customer changes its telephone	
l				number in the case of residential	
				Customers. However, if either Party	
1				provides Referral Announcements for	
1				different periods than the above	
j				respective periods when its	
1				Customers change their telephone	
1		1		numbers, such Party shall provide the	
1				same level of service to Customers of	
				the other Party. The periods for	
				referral announcement may be shorter	
]				if a number shortage condition is in	
				effect for a particular NXX code and	
				any such shorter periods are not	
1				precluded by Applicable Law.	
				18.2 Customer Contact,	
İ				Coordinated Repair Calls and	
				Misdirected Inquiries	
}				18.2.1 Verizon will recognize	
			•	AT&T as the customer of record of	
1				all Services ordered by AT&T under	
1				this Agreement. AT&T shall be the	
ļ				single point of contact for AT&T	
ſ				Customers with regard to all services,	
1				facilities or products provided by	
				Verizon to AT&T and other services	
l				and products which they wish to	
				purchase from AT&T or which they	
1				have purchased from AT&T.	
				Communications by AT&T	
ĺ				Customers with regard to all services,	
-				facilities or products provided by	
Ì				Verizon to AT&T and other services	
1				and products which they wish to	
l				purchase from AT&T or which they	
l		1		have purchased from AT&T, shall be	
				made to AT&T, and not to Verizon.	
				AT&T shall instruct AT&T	
				Customers that such communications	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
				shall be directed to AT&T.	
1				18.2.2 Requests by AT&T	
1				Customers for information about or	
ľ]		provision of products or services	
1				which they wish to purchase from	
ŀ				AT&T, requests by AT&T Customers	
1				to change, terminate, or obtain	
1		1		information about, assistance in	
				using, or repair or maintenance of,	
1				products or services which they have	
				purchased from AT&T, and inquiries	
				by AT&T Customers concerning	
-				AT&T's bills, charges for AT&T's	
Į				products or services, and, if the	
				AT&T Customers receive dial tone	
		1		line service from AT&T, annoyance	
				calls, shall be made by the AT&T	
		i i		Customers to AT&T, and not to	
				Verizon.	
				18.2.3 AT&T and Verizon will	
1				employ the following procedures for	
- 1				handling misdirected repair calls:	
1				18.2.3.1 AT&T and Verizon will	
				educate their respective Customers as	
				to the correct telephone numbers to	
l				call in order to access their respective	
ì		1		repair bureaus.	
- 1				18.2.3.2 To the extent Party A is	
1		1		identifiable as the correct provider of	
j				service to Customers that make	
Ī				misdirected repair calls to Party B,	
İ				Party B will immediately refer the	
(Customers to the telephone number	
				provided by Party A, or to an	
				information source that can provide	
İ				the telephone number of Party A, in a	
		[courteous manner and at no charge.	
				In responding to misdirected repair	
				calls, neither Party shall make	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
				disparaging remarks about the other	
		1		Party, its services, rates, or service	
				quality.	
j		1		18.2.3.3 AT&T and Verizon will	
				provide their respective repair contact	
1		1		numbers to one another on a	
ı				reciprocal basis.	
1				18.2.4 In addition to section 18.2.3	
Į.				addressing misdirected repair calls,	
ł				the Party receiving other types of	
				misdirected inquiries from the other	
				Party's Customer shall not in any way	
		}		disparage the other Party.	
				18.3 Customer Authorization	
		1		18.3.1 Without in any way limiting	
į				either Party's obligations under	
		1		Subsection 27.1, each Party shall	
ļ		1		comply with Applicable Laws with	
				regard to Customer selection of a	
				primary Telephone Exchange Service	
l				provider. Until the Commission	
				and/or FCC adopts regulations and/or	
l				orders applicable to Customer	
1				selection of a primary Telephone	
		1		Exchange Service provider, each	
1				Party shall adhere to the rules and	
1				procedures set forth in Section	
ĺ				64.1100 through 1190 of the FCC	
1		1		Rules, 47 CFR § 64.1100 through	
1				1190, in effect on the Effective Date	
1		1		hereof when ordering, terminating, or	
l l				otherwise changing Telephone	
ĺ				Exchange Service on behalf of the	
		1		other Party's or another carrier's	
				Customers.	
		1		18.3.2 In the event either Party	
ŀ				requests that the other Party install,	
		1		provide, change, or terminate a	
				Customer's Telecommunications	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
İ				Service (including, but not limited to,	
				a Customer's selection of a primary	
l				Telephone Exchange Service	
				Provider) and (a) fails to provide	
į		1		documentary evidence of the	
				Customer's primary Telephone	
		1		Exchange Service Provider selection	
		1		upon reasonable request, or (b) fails	
1				to obtain authorization from the	
Ī				Customer for such installation,	
1		1		provision, selection, change or	
		i i		termination in accordance with	
- 1		1		Applicable Law, then in addition to	
		1		any other rights or remedies available	
i				to the other Party, the requesting	
}		1		Party shall be liable to the other Party	
ŀ				for all charges that would be	
Į				applicable to the Customer for the	
[initial change in the Customer's	
ŀ				Telecommunications Service and any	
ļ				charges for restoring the Customer's	
				Telecommunications Service to its	
İ				Customer-authorized condition,	
1		1		including to the appropriate primary	
-				Telephone Exchange Service	
1				provider.	
ł				18.3.3 Without in any way limiting	
1				either Party's obligations under	
İ		1		Subsection 27.1, both Parties shall	
				comply with Applicable Laws with	
				regard to Customer Proprietary	
				Network Information, including, but	
				not limited to, 47 U.S.C. § 222.	
				AT&T shall not access (including, but	
}				not limited to, through Verizon OSS	
				as defined in Schedule 11), use, or	
İ		1		disclose Customer Proprietary	
				Network Information made available	
				to AT&T by Verizon pursuant to this	

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
				Agreement unless AT&T has	
				obtained any Customer authorization	
				for such access, use and/or disclosure	
				required by Applicable Laws. By	
				accessing, using or disclosing	
		1		Customer Proprietary Network	
				Information, AT&T represents and	
		1		warrants that it has obtained	
				authorization for such action from the	
		1		applicable Customer in the manner	
	: 			required by Applicable Law and this	
				Agreement. AT&T shall, upon	
				reasonable request by Verizon,	
i				provide proof of such authorization	
1				(including a copy of any written	
				authorization). In the event AT&T	
				makes available an AT&T operations	
Į				support system for access and use by	
				Verizon, Verizon agrees that the same	
		1		conditions that apply to AT&T in this	
				Subsection 18.3.3 for accessing, using	
		1		or disclosing Customer Proprietary	
				Network Information made available	
]]		to AT&T shall apply to Verizon when	
				accessing, using or disclosing CPNI	
				made available to Verizon.	
		}		18.3.4 Verizon shall have the right	
		i i		to monitor and/or audit AT&T's	
1		1		access to and use and/or disclosure of	
		i		Customer Proprietary Network	
i]		Information that is made available by	
				Verizon to AT&T pursuant to this	
				Agreement to ascertain whether	
		1		AT&T is complying with the	
ŀ				requirements of Applicable Law and	
		1		this Agreement with regard to such access, use, and/or disclosure.	
ŀ					
ļ				Verizon may exercise this right to	
				audit once annually upon reasonable	

No.	Statement of Issue	Petitioners' Proposed Contract Language	1 n. ee n. e 1.	1 · · ·	
			Petitioners' Rationale	Language	Verizon Rationale
				written notice to AT&T. Verizon	
j				may also employ such assistance as it]
				deems desirable to conduct such	
			1	audits (such as an outside auditor) so	ì
1				long as the party providing assistance	
1				agrees to be bound by a	
1				confidentiality agreement containing	
				terms substantially similar to the	1
			ĺ	terms in Section 28.5 of this	1
1				Agreement. To the extent permitted	•
l				by Applicable Law, the foregoing	
j				rights shall include, but not be limited	
				to, the right to electronically monitor	
ļ				AT&T's access to and use of	
1				Customer Proprietary Network	1
ļ			1	Information that is made available by	
				Verizon to AT&T pursuant to this	
			•	Agreement. The results of any audit	
1				and/or monitoring of AT&T's access	
			(to and/or use of CPNI pursuant to this	
				Section 18.3.4 shall be subject to the	
į				confidentiality provisions (Section	l
				28.5) of this Agreement and shall not	
i				be used by Verizon for any marketing	
				purposes, except as permitted by Applicable Law.	
				18.3.5 At such time that AT&T	
				provides access to AT&T Customer	
				Proprietary Network Information,	
				AT&T shall have the right to monitor	
				and/or audit Verizon's access to and	1
				use and/or disclosure of AT&T's	
				Customer Proprietary Network	
1	İ			Information, on the same terms as	1
i			1	provided in Section 18.3.4 above.	
IV-111 3	Should the Interconnection	Part A, Section 24	Resolved by including in the	provides in Section 10/2/1 moore.	Resolved
1	Agreement contain a provision that		agreement WCOM's Part A, Section		1
		Section 24. Notices of Network	24.1		
	•	Changes			

Issue		Petitioners' Proposed Contract		Verizon's Proposed Contract	T T
No.	Statement of Issue	Language	Petitioners' Rationale	Language	Verizon Rationale
	Section 251(c)(5) of the Act and the FCC's implementing regulations?	Changes 24.1 Verizon shall make any notification of changes to the underlying Verizon services in conformance with the requirements of Section 251(c)(5), Notice of Changes, of the Act, and the FCC's rules and regulations.	20000000		
IV-112	Should the Interconnection Agreement contain a provision that obligates the Parties to submit promptly the Interconnection Agreement to the Commission and all other governmental entities from which regulatory approval is needed, and that obligates the Parties to negotiate promptly and in good faith such revisions as may reasonably be required to achieve regulatory approval?	Part A, Section 25.1 Section 25. Regulatory Approvals 25.1 The Parties shall promptly submit this Agreement, and any amendment or modification hereof, to the Commission for approval in accordance with Section 252 of the Act. Following such submission, the Parties shall submit the Agreement to any other applicable governmental entity for any requisite approvals. In the event any governmental authority or agency rejects any provision hereof, the Parties shall negotiate promptly and in good faith such revisions as may reasonably be required to achieve approval.	Resolved by including in the agreement WCOM's Part A, Section 25.1		Resolved
IV-113	Should the Interconnection Agreement contain a provision obligating the Parties to negotiate promptly and in good faith to amend the Interconnection Agreement in the event that subsequent changes in the law render any provision of the Interconnection Agreement unlawful, or materially alters the obligation(s) to provide services, or the services	Part A, Section 25.2. 25.2 In the event the FCC or the Commission promulgates rules or regulations, or issues orders, or a court of competent jurisdiction issues orders, which make unlawful any provision of this Agreement, or which materially alter the obligation(s) to provide services or the services	This provision is necessary because a good faith negotiation requirement in the event of subsequent legal developments will assist the Parties in giving effect to their original intentions in the face of changing legal requirements. This provision would give effect to the FCC's mandate in its Local Competition Order that interconnection	WorldCom revised version of the WorldCom-proposed §§ 25.2 and 25.8 25.2 Subject to the terms of Section 25.8, in the event the Commission or the Virginia Commission promulgates rules or regulations, or issues orders, or a court of competent jurisdiction issues orders, which make unlawful	In response to Issue IV-113, Verizon can agree to the language proposed by WorldCom, if it is modified to preserve Verizon's right to cease providing a service or benefit once it is no longer required to do so under applicable law.

Issue	Petitioners' Proposed Contract		Γ	Verizon's Proposed Contract	
No. Statement of		Statement of Issue	Petitioners' Rationale	Language	Verizon Rationale
No. Statement of themselves, embodied	Issue Language in the themselves embodied in this	Statement of Issue nselves, embodied in the reconnection Agreement?	Petitioners' Rationale agreements be flexible enough to accommodate future changes in the legal and regulatory landscape, and also would provide a procedure for the parties to mutually reflect such changes in the Agreement.	-	Verizon Rationale